

Major Collectors and Arterials Fund**Fund 421****PURPOSE OF THE FUND:**

The purpose of the Major Collectors and Arterials Fund is to promote and carry out the purposes and policies of the general plan for the City of San José, and, in particular, to provide a means whereby the proposed arterial and major collectors streets called for in the plan and essential for the orderly, environmentally alert development of the balanced community contemplated by the plan may be provided.

The general plan of the City of San José envisions a balanced community with an appropriate mixture of residential, educational, recreational, industrial, and commercial uses. Under the plan, the City accepts its fair share of the housing required for the region. The plan allows orderly growth which respects environmental concerns at the same time it provides for the needs of an increasing population.

In order to accomplish the purposes of the plan without causing unacceptable traffic congestion and doing damage to the environment, it is necessary that the arterial and major collector streets, which are an integral and essential part of the plan, be constructed in a timely fashion calculated to prevent traffic congestion from occurring. The City, with its limited financial resources, cannot itself fund the acquisition and construction costs for these streets. If the purposes of the plan are to be accomplished, the owners and developers of the lands, which include or are contiguous to these streets, must share this burden.

AUTHORITY FOR THE FUND:

San José Municipal Code sections 14.13.010 through 14.13.120. Revenue and expenditure estimates are budgeted via Council funding sources resolution and appropriation ordinance, respectively.

SOURCE OF FUNDS:

- Investment earnings
- Interest earnings

Whenever the City advances the costs of rights-of-way or improvements for a portion of an arterial or major collector street, owners or developers of land which abuts upon such portion of such arterial or major collector street shall repay such advanced costs to city when and if such land is sought to be developed and a development permit is issue or approved therefore.

FUND RESTRICTIONS:

While the use of moneys within this fund is not subject to Proposition 218, certain moneys in this fund may be restricted by other policies and guidelines, which are described below.

Money so placed and deposited in the arterial and major collectors fund shall be expended for the acquisition of rights-of-way for, and the construction of, the improvements described in Section 14.13.060 for existing and proposed arterial and major collector streets.

The interest earned must stay within the fund for the purposes in the manner set forth in this section.

LEAD RESPONSIBILITY:

Major Collectors and Arterials Fund**Fund 421**

- Public Works Department
- Department of Transportation

FINANCIAL INFORMATION AND LOCATION:**Comprehensive Annual Financial Report (CAFR) Designation:**

Governmental Fund-Special Revenue

Budget Location:

Adopted Capital Budget and Capital Improvement Program (Traffic Capital Program)

Funding Sources Resolution and Appropriation Ordinance Location:

Section 6.06